App. F. IX-4

1939.
(92)

File No. 104-39

Serial Nos. 14, 16 & 25-

Previous References
Ste 104-37-9, 12-14
" 1-5
104-39-6-8

Later References.
Dfc 104-39 Sl 30, 32, 37, 38
" " " " 58-59.
" 564-40 " 1-4

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. Three

25

Part B for June 1940

SUBJECT.

Enhancement of the State's subscription to the Capital of the Singore Chrome Tanning Company Ltd.

Sl(25) GRD 5931-2 dated 27.6.40

To the Dr of Ste & Comptr this Sl. D

WD 0578—GPB—22,500—12-9-39

Comptr is requested to place a sum of Rs 5000/- sanctioned towards the Preliminary Expenses of the Company.

Secretary to Govt
Sl.

Purchase of chemicals etc for the
Mysore Chrome Tanning Co. (in
formation)

General and Revenue Secretariat — Dev C File No. 1024 of 1940. — [App. F. III–2

Serial No.	
14	From the Dir. IC
	No. nil dt. 4-5-1940
	Explains the present position in the share subscription of the Co. and requests that for reasons explained, he may be permitted to place immediately definite orders for supply of Bichromate of Soda & other chemicals required for the Co and that the balance of the Rs. 3000/- towards preliminary expenses may be arranged to be placed to his credit.
A	1) In G.O. of 11-6-38, a sum of Rs. 5000/- was sanctioned towards preliminary
C	expenses of the Co., out of which Rs 2000/- was required to be placed at the disposal of the Chairman (Dir. IC). The amount may be sanctioned to place the balance of Rs 3000/- to the
	credit of the Dir. IC as now requested by the Dir. report that, owing to the conditions prevailing on account of the question of equipping the Co with necessary ~~raw materials such as~~ Chemicals such as Bichromate of Soda etc for about 3 months has become very urgent and indispensable. He accordingly proposes to place a definite

NOTE–Contn. Sheet.

Purchase of chemicals etc for the new Chrome Tanning Co.

Secy. File No. 104 of 1925. | General and Revenue Secretariat.

Serial No.

orders with the Imperial Chemicals Ltd. Madras for the shipment of 5 tons of the Chemical at R 981- per ton cost F.O.R Madras as also for the chemicals in consultation with Mr. Kinjam selected for the General Manager's post. This proposal cannot now be approved in the circumstances explained. The actual of outlay on this is not specified.

2) So far as the present position of the Share subscriptions is concerned, there is an indication in the Dirs letter that the Co. may not get the minimum subscription of 70% of the Capital for proceeding to allotment and that Govt may have to subscribe for the addl. Shares also, thus increasing the Govt Share to R. 20,000/-

3) The proposals of the Dirs. are for orders in consultation with the Finl. Secy.

Kms 9/5/25

9/5/25

Dowby)

5) The balance of Rs 3000/- may be placed at the credit of the Director

1

6) He may be permitted to place the order for the chemicals immediately.

2

7) This proposal that Govt may temporarily take up the few remaining shares that may be required to proceed to allotment may also

3.

Purchase of chemicals etc for the 4230
Improve Chrome Tanning Co. (in formation)

General and Revenue Secretariat | 9th File No. 104 of 1939. | [App. F. III-2

Serial No.

be expressed.

Ce 9/5/40

re: ubi the 7th Lee

9/5/40

3739 1 MAY 1940

9) 1 & 2 may be approved for the present.

9) On principle, I am not in favour of Government taking up more shares.

11-0-64 I

23/5/40 CW

Ce 23/5/40

10) Please work up to date information re

Shares subscribed for by Directors 7000

Do by the public 12,267

Minimum number required to proceed to allotment - 70% 74 Crs = 28,000

Total number of shares the taken by Govt, including 10% originally promised 9733 (4000 + 5733)

DLL 24/5/40

11)

The above figures were given to me on the 'phone by the Dir., who had just finished a meeting of the Directors. He says 6 or 6 Crs shares have already been promised to be taken up. It is proposed to start work about the end of June. Arrangements have already been made for the Chemicals and a sub-committee of the Chairman & 4 Directors who are

NOTE—Contn. Sheet.

The Thyssen Chrome Tanning Co Ltd -

File No. 104 of 1939.

General and Revenue Secretariat.

Serial No.

DEWAN'S OFFICE
28 MAY 1940
No 8220.

MAY 27 1940
No 11120

we the funds has been formed for the purpose of purchasing hides. Orders for them will be placed as soon as the export commitments about a month hence. Repairs & renewals of machinery etc. are expected to be over by the end of June. If grant 2 months time, it may be possible to return all the money advanced by Govt for the extra stores

(Dewan) 25/5 28/5

Financing

12) It is, I think, desirable that Govt should take up the additional shares (about 5700) in order to enable the Provisional Directors to proceed to allotment and start operations.

13) The selection of Mr Lingam for the post of General Manager may be approved subject to scrutiny of the terms of employment which it is proposed to embody in the contract

(Dewan) 28/5/40

14) I agree

28-5-40

15) 28/5

16) 29.5.40 29/5 29/5

H. Lee 27/5

3966

Enhancement of the Govt subscription to the Share capital of the Mysore Chrome Tanning Co. 4230

General and Revenue Secretariat — File No. 104 of 1939. — [App. F. III-2

Serial No.

DEPT. E
31 MAY 1940
NO 8345

DEPT. 30 MAY 1940 MYSORE

17) The question of increasing the Govt share of the capital of this Co. is a Council matter.
Kms 30/5/40

Dr (by)

18) May be disposed of by Circulation (Verbal)
Ce 30/5/40

19) Jno 31/5/40

Ch. Lee 1/6

20) Ce 1/6/40

21) Submitted with a Circulation Memo
Bn 4/6/40.

22) Signed MK 4/6

NOTE—Contn. Sheet.

For Disposal by Circulation. **No. C. 525**

1939-40

GENERAL AND REVENUE SECRETARIAT

Council Matter.

Subject

Proposal (i) to take up about 5700 additional shares of the Mysore Chrome Tanning Co., Ltd., Bangalore,

and (ii) to appoint Mr. L. C. Lingam as General Manager of the Company.

23) *Circulated to the Members of Council.*

By Order,

4th June 1940 *Chief Secretary to Government.*

24) **First Member of Council.** (Seen).

A688 4.6.40 25) **Second Member of Council.** 4.6.40

26) Secy: Seen. With compliments.

6.6.40

7/6 7/6

Mitchell

As the Gas is taking over 9000 shares it is for consideration whether it is not desirable to have an additional Gas representative on the Board of Directors

9/6/40

Derby

Ki. Mr.)

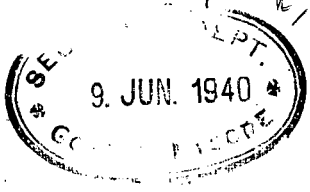
I think so

Ce 9/6

9/6

Ce 11/6

11/6



Mysore Chrome Tanning Co.

4230

General and Revenue Secretariat — File No. 104 of 1939. — [App. F. III–2

OFFICE OF THE FIRST MEMBER OF COUNCIL
JUN 9 1940
No. 11761

Serial No.

27 D.F.N. noted.
K.S. 8/6

28 For favour of approval
8/6

Dewan)

Secretary)

29 Signed F.N. is placed in file.
9/6
9/6

C.L.G.
10/6/40

30 F.N. thanks.
11/6
11/6

Dewan)

8726

NOTE—Contn. Sheet.

Final Note by the First Member of Council.

Subject.—

Enhancement of the State's subscription to the capital of the Mysore Chrome Tanning Co., Ltd., etc.

31 With His Highness' gracious approval, sanction was accorded in the Government Order of 23rd June 1938 for the flotation of a joint stock company under the auspices of Government for taking over the Mysore Tannery. The Government agreed to subscribe for ten per cent of the issued share capital of the Company, viz., Rs. four lakhs. It was also laid down that the Company should not proceed to allotment until 80 per cent of the share capital was subscribed for. This was, on further consideration, reduced to 70 per cent. The Company was registered on 30th March 1940 and the prospectus was issued on 9th April 1940.

32 The Director, Industries and Commerce, has reported that the response of the public to the prospectus has been very slow and that only 22,267 shares of Rs.10 each have been subscribed for as detailed on the margin, as against 28,000 shares required for proceeding to allotment. He has accordingly suggested that Government may, for the present, take the balance of 5,733 shares and assist the Board of Directors to proceed to allotment forthwith.

By the Directors,	Rs. 6,000
-do- Public, ...	" 12,267
-do- Government,	" 4,000
Total	Rs.22,267

33 The Provisional Directorate have also recommended that Mr. P.C. Lingam, Superintendent of the Calcutta Tanneries, who has had ~~an~~ experience of about 30 years in the tanning line, may be appointed Leather Expert and General Manager of the Company on a salary of Rs.450 per mensem with a percentage on the net profits of the Company, etc.,

34 On principle, the Financial Secretary is not in favour of Government taking up more shares. That is my view also. But we have gone too far now to think of dropping the project for

want of initial capital. Government should take up the additional block of about 5,700 shares in order to enable the Provisional Directors to proceed to allotment and start operations. In consideration of this, Government may ask for the nomination of one more representative on the Board of Directors.

35 The selection of Mr. Lingam for the post of General Manager will be dealt with separately. The qualifications of this gentleman and the terms of employment proposed by the Company need further scrutiny.

36 The Dewan and the Second Member of Council agree to the above proposal and I solicit His Highness' gracious sanction thereto.

MEMBER OF COUNCIL.

Camp Mysore,
10th June 1940.

Submitted to His Highness.

I submit herewith a Final Note by the FIRST Member of Council on the subject of enhancement of the State's subscription to the capital of the Mysore Chrome Tanning Co., Ltd., etc.

or His Highness' gracious ~~approval.~~ sanction.

Mirza M. Ismail

Dewan.

13-6-40

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

Enhancement of the State's subscription to the capital of the Mysore Chrome Tanning Company, Limited.

Chief Secy
B.
15.6.40 No. 829

38 **Order.**

~~KRW~~
14/6/40

MS
18.6.40

L155

General and Revenue
Secretariat.

C 525

SUBJECT:—

Enhancement of the State's subscription to the capital of the Mysore Chrome Tanning Company Ltd.

(*)

31. All urgent or confidential files returned with His Highness' orders may, in the absence of instructions or indications to the contrary, be ordinarily circulated to the Members of Council for perusal after the issue of orders.

33. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after to the Chief Secretary for circulation to the Members.

34. In all other cases, the files will first be circulated to the Members of Council at Headquarters and then sent to the Secretariat concerned for the issue of orders.

Circulated to Members of Council for perusal of His Highness' orders before/after issue of orders. (*Vide* *Rules 31, 33 and 34 of the Subsidiary Rules for the conduct of business of Council in the Manual of Council Rules and Procedure.)

Chief Secretary to Government.

Through the Secretary to Government,
Development Department.

C. 19/6

12066
19.6.40

39

FIRST MEMBER OF COUNCIL.

19/6/40

4954
20.6.40

40

SECOND MEMBER OF COUNCIL.

21.6.40

Dear Secy with Compliments.

21.6.40

NOTE.—Contn. sheet

WD 04642—GPB—500—23-10-39

Addl. Share subscription to the Mysore Capital of the Mysore Chrome Tanning Co. Ltd

4230 [illegible]

General and Revenue Secretariat — Dft File No. 104 of 1935. — [App. F. III–2

Serial No.	
	41 Draft Go submd for appl.
	Rep 25/6 — 42 For favour of approval
	43 Issue today — 26/6 W.
	D.W.G.) — Ce 26/6
	44 Financial Secr. has agreed (Vide para 6)
	Draft Govt Order submd.
	28 25/6 — Govt Ord 27/6 — Issued
25	To The Dir Ind The Comptroller Mys'l F.D. D 5931-32 d 27-6-40. Directs that an additional block of 5200 shares of the Mysore Chrome Tanning Co., be subscribed for on behalf of Govt.

SECRETARIAT 26 JUN. 1940 MYSORE

Pr. Secr. 3346

B. 27/6/40

NOTE—Contn. Sheet.

File No. of 194 .

General and Revenue Secretariat.

Serial No.

Tele { Phone 2004
Grams—Indus

In reply please quote No., date and brief title

4680.

DEPARTMENT OF INDUSTRIES AND COMMERCE.

From B.G.A.Mudaliar, Esq., B.A., B.Sc., A.M.I.Mech.E.,
Designation Ag.Director of Industries and Commerce in Mysore,
Bangalore.

6/2/6

To C.E.Noronha, Esq., M.A.,
Secretary to the Government of Mysore,
Development Department, Camp.Mysore.

No.
Encl.

SECY. DEV. DEPT. 8. JUN. 1940 GOVT. OF MYSORE

Dated 7th June 1940.

SIR,

The Mysore Chrome Tanning Co., Ltd.

I have the honour to send herewith, for the information of Government, a copy of the proceedings of the Board of Directors' meeting held on the 25th May 1940.

I have the honour to be,
Sir,
Your most obedient servant,

BGA Mudaliar
AG.DIRECTOR.

SRS.

Proceedings of the meeting of the Board of Directors of the Mysore Chrome Tanning Co.,Ltd., held in the office of the Chairman at 3 P.M. on Saturday the 25th May 1940.

Present.

1.	Mr.B.G.A.Mudaliar, B.A.,B.Sc., A.M.I.Mech.E., Director of Industries and Commerce.	CHAIRMAN.
2.	Diwan Bahadur V.Shanmugam Mudaliar,Madras.	Director.
3.	Mr.T.B.Borajanna,Bangalore.	"
4.	Mr.P.Hanumanthiah,Bangalore.	"
5.	Mr.P.Subbarama Chetty,Bangalore.	"
6.	Mr.Modi Abdul Gafoor,Bangalore.	"
7.	Mr.F.M.Xavier,B.A.,LL.B.,Bangalore.	"
8.	Mr.V.Perumalswami Naidu,B.Com.,A.C.R.A.	"
	Mr.P.Rajamannar Naidu,B.A. Assistant Director (Financial)	Secretary.

Absent.

Rao Saheb Capt. A.Thangavelu Mudaliar.

The proceedings of the meeting of the Board held on the 18th April 1940, regarding the selection of Mr.P.C.Lingam, as Leather Expert to the Company on Rs 450/- per mensem with a percentage on the net profits of the Company etc. were read and confirmed, with the modification that the appointment of Mr.D.G.Euington as Assistant to the Leather Expert be dropped and another man who is thoroughly conversant with chrome tanning be appointed as Assistant after the Factory starts work,as it is desirable to have a good and competent Assistant in the interests of smooth working of the Factory during the period of casual absence of the Expert or due to other circumstances.

The action taken by the Chairman in the matter of placing orders for the chemicals etc.,required for the Company with The Imperial Chemical Industries (India),Ltd., Madras,with a view to ensuring supplies at favourable rates and avoiding disappointment was approved and recorded.

Allotment of Shares. The Chairman explained that so far 12,267 shares had been applied for which together with the shares promised to be taken by Government and the Directors, viz., 4,000 and 6,000 respectively,brought the total number of shares to 22,267 as against 28,000 shares necessary to proceed to allotment. Continuing, the Chairman said that he had approached Government to be pleased to subscribe for the balance of 5,733 shares also and that their favourable orders were awaited. The Board adopted the

the following Resolution in this regard:

RESOLVED that Government be moved to be generously pleased to subscribe for the balance of 5,733 shares in addition to the 4,000 shares promised to be taken by them in order to enable the Company to proceed to allotment immediately and start work as the time is very opportune to commence operations and that in case the Government so desired, arrangements would be made to repay the amount of additional shares in due course after additional shares are subscribed for.

As regards allotment, since the required number of shares has not been collected, a sub-committee of the Board consisting of the Chairman and the following two Directors was appointed to decide the allotment of shares soon after 28,000 shares are collected, and report to the Board at the next meeting:

(1) Mr.F.M.Xavier,

(2) Mr.T.B.Borajanna.

Purchase of articles of furniture, Iron safe etc.

The purchase of an Underwood Typewriter at a cost of Rs 360/- made by the Chairman was approved. As regards the purchase of an Iron Safe, a Bicycle and the minimum Furniture required for immediate use, the Board accorded sanction for the purchase of the same with the suggestion that such of the articles out of those that were available in the Bangalore Bank, Ltd., as could be made use of for the Tannery might be purchased from them at a reasonable price.

Payment of Brokerage to private persons other than Share Brokers.

RESOLVED that brokerage at the specified rate be paid to such of the private persons as canvassed not less than 500 shares.

Payment of advertisement charges to the "Statesman", Calcutta, for publishing the Prospectus of the Company.

The Chairman explained the circumstances under which the bill of the "Statesman", viz., Rs 850/- for publishing the Prospectus of the Company could not be agreed to be paid. The legal opinion obtained in the matter was also read out for the information of the Directors. The Board was of the opinion that the "Statesman" was not in order in publishing the Prospectus in half page against the instructions of the Chairman to publish it in one-third page. After a brief discussion, the following RESOLUTIONS were passed:-

RESOLVED that in the circumstances of the matter, the "Statesman" be persuaded to accept Rs 650/- or any other reasonable amount which in the discretion of the Chairman is deemed fit to be paid for the publication of the Prospectus.

RESOLVED further that a sum of Rs 15/- be paid to the advocate for furnishing legal opinion in the above matter.

Examination of the documents of the old Tannery before taking possession of same.

RESOLVED that all the documents relating

relating to the old Mysore Tannery be obtained from the Official Liquidator of the Bangalore Bank,Ltd.(in liquidation) and got examined by Mr.F.M.Xavier,B.A.,LL.B., in the first instance and thereafter by the Law Secretary to the Government of Mysore before arranging for taking possession of the old Tannery.

Repairs to Tannery Building and re-conditioning of machinery etc. therein.

The Chairman explained that the building did not require elaborate repairs excepting for the room where it is proposed to locate the office.

As regards the machinery, the Leather Expert has already seen it and soon after he takes charge,their re-conditioning will be taken up replacing such of the parts as are not in good condition from out of the spares available.

As regards spares,the Chairman said that in the original offer made to the provisional liquidators of the Bangalore Bank Ltd. these have been omitted to be included though mention thereto is seen to have been made in an earlier letter of Feb.1938 written by Government to the Chairman of the Bank. The offer of Rs 80,000/- is thus taken by the Official Liquidator as referring to only buildings, lands, machinery and plant. He further said that he had met the Official Liquidator in this connection and had a talk with him, who said that such of the parts in the plant and machinery as are found to be in a bad condition might be renewed from out of the spares, the remaining spares being paid for at what they were worth according to their condition etc. The Official Liquidator was agreeable to the Company taking possession of the machinery etc. and proceeding with the repairs and re-adjustment of works pending formal orders,which he said, he would obtain soon after the Court reopened on the 3rd June 1940. He had also agreed that the sum of Rs 80,000/- might be paid in two instalments; Rs 40,000 to be paid immediately after the Company has been formed and the balance before the end of August 1940.

The Board approved of these suggestions as also of the purchase of spares at a reasonable price if the Official Liquidator still considers that they have to be separately paid for.

Allowances to be paid to the staff who have done preliminary work in connection with the formation of the Company and the additional staff to be employed from 1st June 1940 or such subsequent date as may be found necessary.

The Chairman said that Mr.S.R.Sundaram,B.A., Personal Clerk to the Director of Industries and Commerce has,from the beginning, been attending to the correspondence, typing work, maintenance of files,calling for meetings of the Board of Directors, reporting proceedings of meetings etc. in connection with the formation of the Company and had also assisted the Secretary in the incorporation of the Company. As he has done preliminary work for over 2½ years he deserves a suitable consolidated remuneration. The two other Clerks of the Office of the Director of Industries and Commerce who have been attending to the registry of share applications, and collection of share amounts from the 9th April 1940 also deserve to be paid a small allowance for their additional work. The Board

Board resolved as follows:-

RESOLVED that Mr.S.R.Sundaram,B.A., Personal Clerk to the Director of Industries and Commerce be paid a consolidated remuneration of Rs 100/- (Rs One Hundred only) and that Messrs.T. Rajagopaliengar and V.S.Arunachalam may each be paid an allowance of Rs 10/- per mensem with effect from 9th April '40 till the additional establishment of the Company is employed and that the expenditure on this account be debited to preliminary expenses.

RESOLVED that the following staff be employed from the dates the Chairman considers it necessary in addition to the Typist on Rs 40/- , a Clerk on Rs 30/- and a peon on Rs 10/- per mensem already appointed:

Assistant Secretary	...	Rs 100/- p.m.
Accountant ...	...	Rs 75/- "
Accounts Clerk and Cashier.		40/- "
Stenotypist ...	...	" 40/- "
Storekeeper ...	...	" 50/- "
Peon. ...	...	" 10/- "
Watchman ...	...	" 10/- "

Technical Staff.

Leather Expert	...	Rs 450/- p.m.
Chemist ...	...	Rs 75/- P.M.

The Board authorised the Chairman to select the best men for the posts.

The Board RESOLVED that a Telephone be installed at the premises of the Tannery and later on at the premises of the Secretary if found necessary.

Seal of the Company. The Board authorised the Chairman to get a suitable seal made for the Company.

Fixing the design for Share Certificates.

This question was also left to the discretion of the Chairman by the Board.

Powers of the Managing Director & Secretary.

The Board RESOLVED that the Chairman who will be the Managing Director,and the Secretary be vested with the same powers as in other Government-aided joint-stock concerns.

As regards the Expert, it was considered not necessary to invest him with any special powers as he is expected to work under the control and direction of the Managing Director.

Fees for transfer of shares.

RESOLVED that a fee of annas four per share subject to a maximum of Rs 5/- be fixed on the transfer of shares.

Arrangements for purchase of Hides & Skins.

The Board was of the opinion that advantage should be taken

taken of the downward trend in the prices of Hides and Skins at present and arrangements made for the purchase without loss of time. It was therefore suggested that the Managing Director might get into touch with the suppliers. This suggestion was noted and the Chairman said that immediate action would be taken in this regard and he requested that Messrs.Borajanna, Hanumanthiah, Modi Abdul Gafoor and Diwan Bahadur V.Shanmugam Mudaliar who are in the line may kindly place him with all the available information on the subject from time to time. Mr.Shammugam Mudaliar suggested that the Chairman may get into touch with Messrs.Mousell & Co., Calcutta.

Next meeting of the Board.

It was proposed that the next meeting of the Board be held about the end of June '40,by which time it was hoped that the allotment of shares would have been completed and the Leather Expert would have brought the machinery etc. in the old Tannery into working condition and that the preliminary details would have been settled.

Chairman.

SRG)Camp-Mysore,7-6-40.

Irc 104-39-14

GEN & REVENUE SECRETARIAT. 7 MAY 1940 DEVELOPMENT BRANCH.

Confidential & Immediate

Tele { Phone No. 2004 / Grams—INDUSCOM.

In reply please quote number, date & short title.

DEV. DEPT. 6. MAY 1940 GOVT. OF MYSORE

GOVERNMENT OF MYSORE

DEPARTMENT OF INDUSTRIES AND COMMERCE. 4230

FROM

B.G.A. Mudaliar, Esq., B.A., B.Sc., Tech.(Manchester) A.M.I. Mech.E.,
Director of Industries & Commerce, Bangalore.

To

C.E. Noronha, Esq., M.A.,
Secretary to Government,
Development Department, Bangalore.

No.

Enclosures

Dated 4-5-1940.

SIR,

The Mysore Chrome Tanning Co. Ltd., Bangalore.

3799.

I have the honour to report for the information of Government that we have so far received applications for about 12,600 shares in the above company besides 10,000 shares promised to be taken by the Directors and Government. There are therefore yet 5,400 shares to be subscribed for before we could go in for allotment. The response is somewhat slow but I hope to get the required number of shares for starting the allotment by about the 15th instant.

I had called for an interview five of the best applicants for the post of the Tanning Expert. There was another applicant whose terms were too prohibitive and was not therefore sent for (one Mr. Achord who wanted Rs.1,000/- per mensem and free quarters etc.) I requested the Members of the Board in Bangalore to be present during the interview and select the candidate best suited for the post. Excepting Messrs. Borajanna and Subbaramayya Setty the ~~rest of the~~ other Directors were present. After enquiring into the credintials and capabilities of each of the candidates, one Mr. P.C. Lingam, was chosen as the Expert. He has put in about 30 years service in the Tanning Line and is now employed as Superintendant of the Calcutta Tanneries on a pay of Rs.500/- and 5% share-in ~~of~~ profits. We have offered Rs.450/- without quarters and a share in profits on a percentage basis to be

decided when the agreement is drawn up, after the shares needed for allotment are subscribed. We have informed him to be ready to take up his new post as soon as called for.

Apart from the choice of an Expert, the immediate concern of ours is to procure the necessary chemicals for Chrome - Tanning. On account of war conditions the supply is rather intermittent and difficult to get. The Imperial Chemicals, Ltd., Madras with whom I have been corresponding have written on 2-5-1940 practically asking us to place a definite order for the required chemicals of which Bichromate of Soda is an important item. They suggest that 5 tons of Bichromate of Soda at Rs.98/- per cwt. F.O.R. Madras, arriving by shipment this month will be reserved for us in case we place a definite order with them immediately. As regards the other chemicals, I have written to the Expert (provisionally chosen) to give me a list of all the items required so that I may obtain the quantities required for 3 months. As soon as I receive the list, I shall have to write to the company to reserve these chemicals also for us. I have tried to induce them to keep the chemicals in stock for us in anticipation of our indents to be soon placed with them, but they are not agreeable to do this in the absence of a definite order therefor.

As already pointed out above the total shares have come up to nearly 23,000 and another 5,000 shares have to be subscribed for. I hear another 1,000 will be coming in soon thus leaving about 4,000 shares to be subscribed before we could proceed to allotment.

We have got nearly all the shares necessary for allotment and there will be a shortage of about 3,000 shares ~~within a week's~~

~~week's time from now~~. In view of the fact that these chemicals are difficult to obtain, I strongly recommend that we place an order for these chemicals immediately. If the shares do not come up to the allotted amount, I request the Government may, for the time being, take the balance of shares, so that the allotment may be proceeded with. As soon as people come to know that work is started, the balance of the shares will be easily subscribed for and the amount so collected will be paid back to Government. In any case, I recommend that we place the order for the chemicals immediately and request very early orders of Government in the matter.

In this connection, I request that the entire amount of Rs.5,000/- sanctioned for preliminary expenses be credited to my account in the Bank of Mysore, Ltd., as the sum of Rs.2,000/- originally placed at my disposal is not sufficient even to meet the advertisement bills which come up to about Rs.2,500/- and I have also other bills for printing of Prospectuses, etc. aggregating about Rs.1,000/- to be paid, besides meeting the demands on account of the pay of the clerical staff since appointed and other incidental expenses.

I have the honour to be,
Sir,
Your most obedient servant,

Director.

AGR 1-2.

I & C 104/21-39-16

Tels.—"INDUSCOM." Codes used—A.B.C., 5th Edn., Bentley's.

GOVERNMENT OF MYSORE.

Department of Industries and Commerce.

21 MAY 1940 DEVELOPMENT BRANCH.

Mr. B. G. A. Mudaliar, B.A., B.Sc., A.M.I.Mech.E.,
Ag. *Director.*

OFFICE OF THE DIRECTOR,

D. O. No. 104/21-5-40 Dte

Bangalore, dated 21st May 1940.

FIRST MEMBER OF COUNCIL
MAY 23 1940
No 10992

4442.

Dear Mr. Noronha,

The Mysore Chrome Tanning Co., Ltd., Bangalore.

Share subscription - allotment.

I invite a kind reference to my letter No. 28676 dated 4th May 1940, requesting in the circumstances stated that Government may be pleased to take up the balance of shares required for proceeding with allotment and request you kindly to obtain immediat orders of Government in the matter, as I have arranged for a meeting of the Board of Directors on the 25th instant, to consider the subject of allotment of shares and other matters connected with the starting of the factory. As we cannot start allotment of shares before the minimum number of shares is subscribed for, I request you kindly to explain the matter to the First Member and see that the orders are issued before the 24th instant.

Yours sincerely,
B G A Mudaliar

C. E. Noronha, Esq., M.A.,
Secretary to Government,
Development Department,
Bangalore.

SRS.

P.S.

The total number of shares subscribed so far, excluding the shares subscribed for by the Directors and Government, comes up to 12,250 and I expect another about 500 shares in the course of this week. The balance of shares required to be taken up by Government will amount to about 5,250.

Ir 104-39-25

D

Proceedings of the Government of H.H. the Maharaja of Mysore.

Read:-

Para 4 of G.O.No.D.9505-15/I.&C.104-37-13 dated the24th June 1938 directing, among other things, that ten per cent of the issued capital of the proposed joint stock company for taking over the Mysore Tannery be subscribed on behalf of Government, subject to a maximum of Rs.40,000/-.

2. Correspondence ending with letter No.Nil dated the 4th May 1940 from the Director of I.&C. forwarding a report on the position of ~~the~~ subcriptions to the share capital of the Company and recommending, for reasons explained, that Government may be pleased to subscribe ~~for~~ an additional block of about 5733 shares to enable the Board of Directors to proceed to allotment and/approve the proposal of the Provisional Board of Directors to appoint Mr. P.C. Lingam, Superintendent of the Calcutta -- Tanneries, as the General Manager of the Mysore ~~Tannery~~ Chrome Tanning Co. on certain terms.

Order No.D. 5931-32/Ir 104-39-25

Bangalore the 27 June 1940.

In the Government Order of 24th June 1938 read above sanction was accorded for the flotation of a joint stock company under the auspices of Government for taking over the Mysore Tannery and it was agreed that Government should subscribe

ten percent of the issued capital of the Company, viz., Rs. four lakhs. The Company was accordingly registered on the 30th March, 1940 and the prospectus was issued on the 9th April, 1940.

The Director has reported that the response of the public to the prospectus has been very slow and that only 22,267 shares of Rs.10/- each (including the 4000 shares taken by Government and the 6000 shares taken by the Directors) have been subscribed for, as against 28,000 shares required for proceeding to allotment. He has accordingly suggested that Government may, for the present, take the balance of 5733 shares and in order to enable assist the Board of Directors to proceed to allotment forthwith.

The Provisional Board of Directors have also recommended that Mr. P.C. Lingam, Superintendent of the Calcutta Tanneries, may be appointed Leather Expert and General Manager of the Company, on certain terms.

Though Government are not generally in favour of taking up more shares, they, however, feel that, in view of the necessity to revive the industry, the Provisional Board of Directors should be enabled to proceed to allotment and start operations. They are accordingly pleased to direct that an additional block of 5700 shares be subscribed for on behalf of Government. In consideration

of this additional subscription, Government reserve the right to nominate one more representative of theirs ~~on~~ to the Board of Directors. The Director is requested to see that necessary provision is made in this behalf ~~in the~~ by amending Articles of Association of the Company.

Separate orders will issue in the matter of ~~a~~ the appointment of a General -- Manager of the Company. The Director is requested to ~~submit~~ report the qualifications of Mr. Lingam and the terms of ~~employment~~ his employment proposed by the Company.

The Comptroller is authorised to place at the disposal of the Chairman of the Company, the balance of ~~of~~ the advance of Rs.5000/- sanctioned towards the preliminary expenses of the Company

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Secy. to Govt
Dev. Dept.

To

The Director I.&C.
The Comptroller through F.D.

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE.

Read:—

Para 4 of Government Order No.D.9505-15/I&C.104-37-13 dated the 24th June 1938 directing among other things, that ten per cent of the issued capital of the proposed joint Stock Company for taking over the Mysore Tannery be subscribed on behalf of Government, subject to a maximum of Rs.40,000/-.

2. Correspondence ending with letter No. nil dated the 4th May 1940 from the Director of Industries and Commerce, forwarding a report on the position of subscriptions to the share capital of the Company and recommending, for reasons explained, that Government may be pleased to subscribe an additional block of about 5733 shares to enable the Board of Directors to proceed to allotment and to approve the proposal of the Provincial Board of Directors to appoint Mr.P.C.Lingam, Superintendent of the Calcutta Tanneries, as the General Manager of the Mysore Chrome Tanning Co., on certain terms.

ORDER NO: D 5931-32 / Ind 104-39-25

Dated, Bangalore, the 27 June 1940.

In the Government Order of 24th June 1938 read above, sanction was accorded for the flotation of a Joint Stock Company under the auspices of Government for taking over the Mysore Tannery and it was agreed that Government should subscribe ten percent of the issued capital of the Company, viz., Rupees four lakhs. The Company was accordingly registered on the 30th March 1940 and the prospectus was issued on the 9th April 1940.

The Director reports that the response of the public to the prospectus has been very slow and that only 22,267 shares of Rs.10/- each (including the 4000 shares taken by Government and the 6000 taken by the Directors) have been subscribed for, as against 28,000 shares required for proceeding to allotment. He accordingly suggests that Government may, for the present, take the balance of 5733 shares in order to enable the Board of Directors to proceed

to allotment forthwith.

The Provicional Board of Directors also recommend that Mr. P.C. Lingam, Superintendent of the Calcutta Tannaries, may be appointed Leather Export and General Manager of the Company, on certain terms.

Though Government are not generally in favour of taking up more shares, they, however, feel that in view of the necessity to revive the industry, the Bhadravathi Provicional Board of Directors should be enabled to proceed to allotment and start operations. They are accordingly pleased to direct that an additional block of 5700 shares be subscribed for on behalf of Government. In consideration of this additional subscription, Government reserve the right to nominate one more representative of theirs to the Board of Directors. The Director is requested to see that necessary provision is made in this behalf by amending the Articles of Association of the Company.

Separate orders will issue in the matter of the appointment of a General Manager of the Company. The Director is requested to report the qualifications of Mr.Lingam and the terms of his employment proposed by the Company.

The Comptroller is authorised to place at the disposal of the Chairman of the Company, the balance of the advance of Rs.5,000/- sanctioned towards the preliminary expenses of the Company.

For Secretary to Government,
Development Department.

To

The Director of Industries and Commerce in Mysore.

" Comptroller to Government through Financial Department.

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